



Daily Virtual Steel Mill Report

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Verdict:

- Short-run Neutral.

Macro:

- Goldman Sachs upgraded its forecasts for China economic growth in 2024 from 4.7% to 4.9%, the growth for 2025 from 4.3% to 4.7%, after China unveiled a series of stimulus including greater public spending, support housing growth and issuing specialized debts.

Iron Ore Key Indicators:

- Platts62 \$106.15, +1.90, MTD \$106.79. Iron ore physical market maintained quiet during Friday, as mixed-outlook on the conference of China during weekends. BHP sold MACF at \$99.65/mt. The discount of MACF remained stable during September and October. The demand for discount cargoes was solid compared with premium cargoes. Mills were seeking to expand margin.

SGX Iron Ore 62% Futures& Options Open Interest (Oct 11th)

- Futures 132,153,200 tons(Decrease 4,575,600 tons)
- Options 171,018,300 tons(Increase 4,504,400 tons)

Steel Key Indicators:

- Mysteel surveyed 91 blast furnace steel mills in China, the cost in September was 3171 yuan/ton, a decrease of 83 yuan/ton compared to the previous month. The profit was 124 yuan/ton, an increase of 294 yuan/ton. The hot coil price was 3245 yuan/ton, a decrease of 95 yuan/ton compared to the previous period, with a profit of 16 yuan/ton, an increase of 266 yuan/ton.

Coking Coal and Coke Indicators:

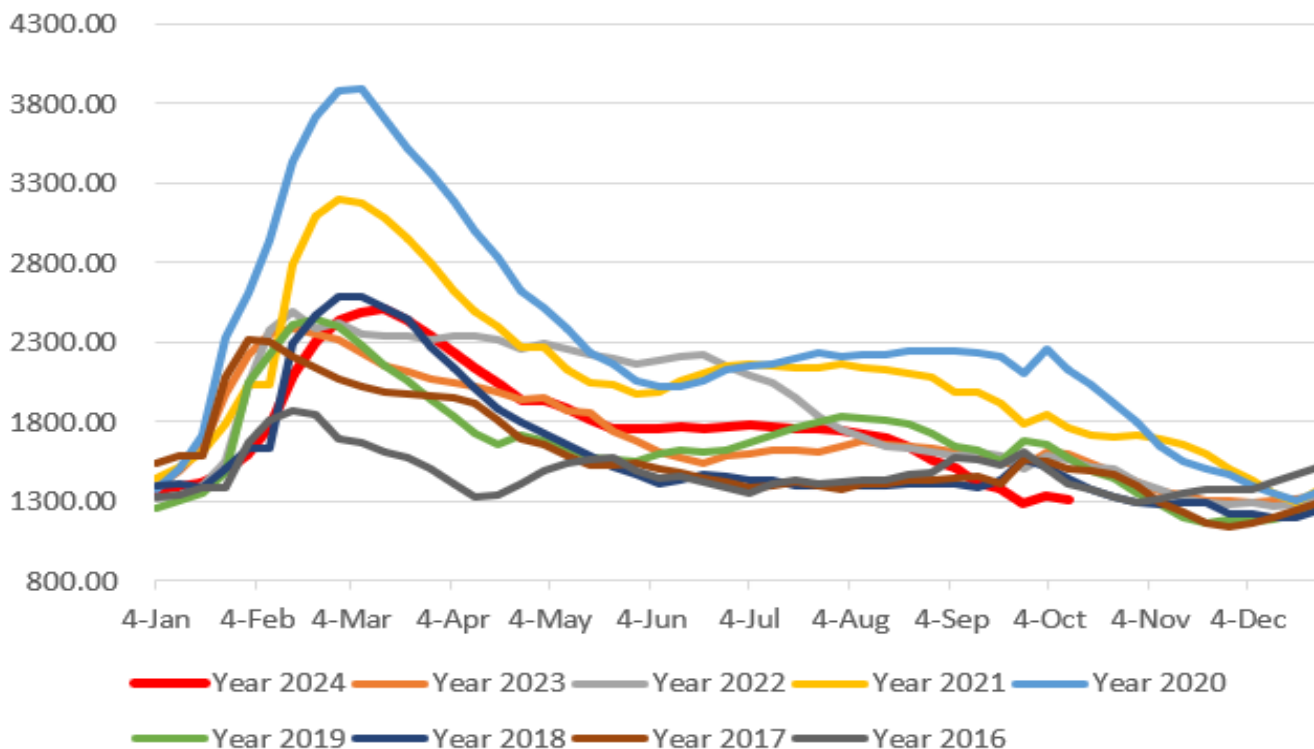
- The Australian coking coal was quiet at late last week. There was 50kt US origin premium PLV Oak Grove traded at \$219 -220/mt CFR China. There was a PMV from Australia traded at \$220/mt CFR China for prompt laycan.



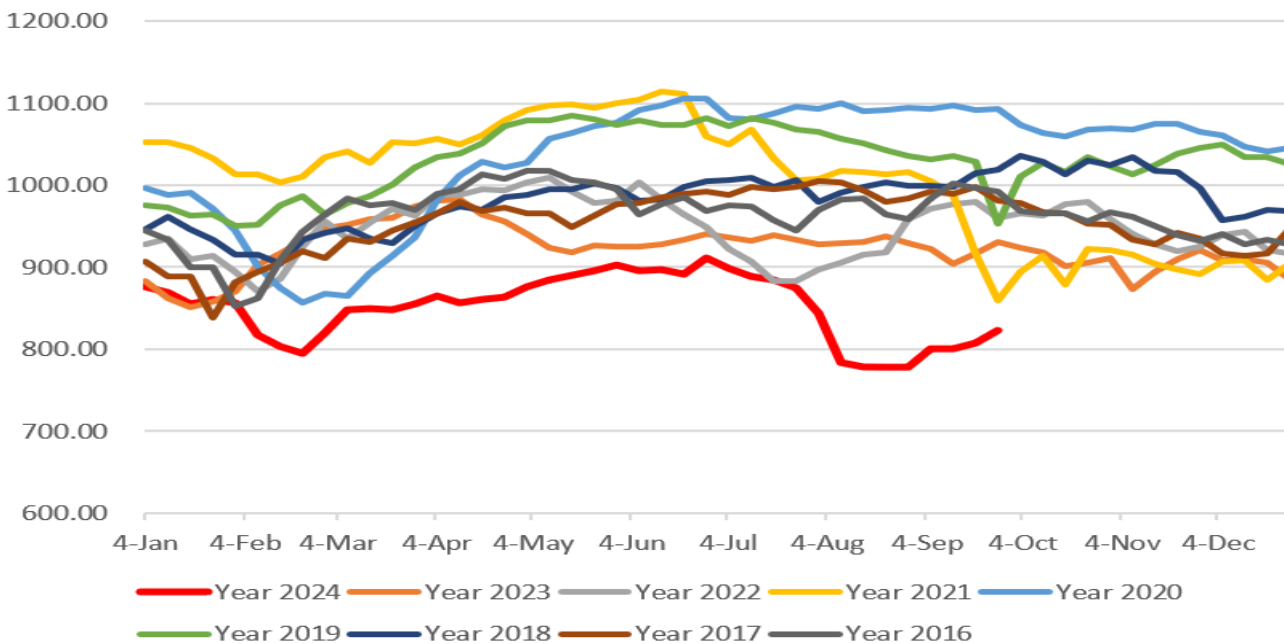
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Five Major Steels Inventories(10,000 tonnes)



Five Major Steels Production(10,000 tonnes)



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